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SENATE BILL 5959

State of Washington 59th Legislature

2005 Regular Session

By Senator Jacobsen

Read first time 02/16/2005. Referred to Committee on Natural Resources, Ocean & Recreation.

- 1 AN ACT Relating to use of state-owned aquatic lands by a
- 2 governmental entity; and amending RCW 79.90.460, 79.90.465, and
- 3 79.90.470.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 79.90.460 and 1984 c 221 s 3 are each amended to read 6 as follows:
- 6 as follows:
 7 (1) The management of state-owned aquatic lands shall preserve and
- 8 enhance water-dependent uses. Water-dependent uses shall be favored
- 9 over other uses in aquatic land planning and in resolving conflicts
- 10 between competing lease applications <u>except that a use by a</u>
- governmental entity for a public benefit, including, but not limited to public parks, uses for public recreation purposes, water-related public
- 13 safety uses, and governmentally owned public utility lines, shall have
- 14 top priority. In cases of conflict between water-dependent uses,
- 15 priority shall be given to uses which enhance renewable resources,
- 16 water-borne commerce, and the navigational and biological capacity of
- 17 the waters, and to statewide interests as distinguished from local
- 18 interests.

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(2) Nonwater-dependent use of state-owned aquatic lands is a low-priority use providing minimal public benefits and shall not be permitted to expand or be established in new areas except in exceptional circumstances where it is compatible with water-dependent uses occurring in or planned for the area.

- (3) The department shall consider the natural values of state-owned aquatic lands as wildlife habitat, natural area preserve, representative ecosystem, or spawning area prior to issuing any initial lease or authorizing any change in use. The department may withhold from leasing lands which it finds to have significant natural values, or may provide within any lease for the protection of such values.
- (4) The power to lease state-owned aquatic lands is vested in the department of natural resources, which has the authority to make leases upon terms, conditions, and length of time in conformance with the state Constitution and chapters 79.90 through 79.96 RCW.
- 16 (5) State-owned aquatic lands shall not be leased to persons or 17 organizations which discriminate on the basis of race, color, creed, 18 religion, sex, age, or physical or mental handicap.
- **Sec. 2.** RCW 79.90.465 and 1984 c 221 s 4 are each amended to read 20 as follows:
- The definitions in this section apply throughout chapters 79.90 through 79.96 RCW.
 - (1) "Water-dependent use" means a use which cannot logically exist in any location but on the water. Examples include, but are not limited to, water-borne commerce; terminal and transfer facilities; ferry terminals; watercraft sales in conjunction with other water-dependent uses; watercraft construction, repair, and maintenance; moorage and launching facilities; aquaculture; log booming; and public fishing piers and parks.
 - (2) "Water-oriented use" means a use which historically has been dependent on a waterfront location, but with existing technology could be located away from the waterfront. Examples include, but are not limited to, wood products manufacturing, watercraft sales, fish processing, petroleum refining, sand and gravel processing, log storage, and house boats. For the purposes of determining rent under this chapter, water-oriented uses shall be classified as water-dependent uses if the activity either is conducted on state-owned

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aquatic lands leased on October 1, 1984, or was actually conducted on the state-owned aquatic lands for at least three years before October 1, 1984. If, after October 1, 1984, the activity is changed to a use other than a water-dependent use, the activity shall be classified as a nonwater-dependent use. If continuation of the existing use requires leasing additional state-owned aquatic lands and is permitted under the shoreline management act of 1971, chapter 90.58 RCW, the department may allow reasonable expansion of the water-oriented use.

- (3) "Nonwater-dependent use" means a use which can operate in a location other than on the waterfront. Examples include, but are not limited to, hotels, condominiums, apartments, restaurants, retail stores, and warehouses not part of a marine terminal or transfer facility.
- (4) "Log storage" means the water storage of logs in rafts or otherwise prepared for shipment in water-borne commerce, but does not include the temporary holding of logs to be taken directly into a vessel or processing facility.
- (5) "Log booming" means placing logs into and taking them out of the water, assembling and disassembling log rafts before or after their movement in water-borne commerce, related handling and sorting activities taking place in the water, and the temporary holding of logs to be taken directly into a processing facility. "Log booming" does not include the temporary holding of logs to be taken directly into a vessel.
 - (6) "Department" means the department of natural resources.
- 26 (7) "Port district" means a port district created under Title 53 27 RCW.
 - (8) The "real rate of return" means the average for the most recent ten calendar years of the average rate of return on conventional real property mortgages as reported by the federal home loan bank board or any successor agency, minus the average inflation rate for the most recent ten calendar years.
 - (9) The "inflation rate" for a given year is the percentage rate of change in the previous calendar year's all commodity producer price index of the bureau of labor statistics of the United States department of commerce. If the index ceases to be published, the department shall designate by rule a comparable substitute index.

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1 (10) "Public utility lines" means pipes, conduits, and similar 2 facilities for distribution of water, electricity, natural gas, 3 telephone, other electronic communication, and sewers, including sewer 4 outfall lines.

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- (11) "Terminal" means a point of interchange between land and water carriers, such as a pier, wharf, or group of such, equipped with facilities for care and handling of cargo and/or passengers.
- (12) "State-owned aquatic lands" means those aquatic lands and waterways administered by the department of natural resources or managed under RCW 79.90.475 by a port district. "State-owned aquatic lands" does not include aquatic lands owned in fee by, or withdrawn for the use of, state agencies other than the department of natural resources.
- 14 (13) "Public recreation purposes" means water or shore-related
 15 educational and recreational activities provided directly or indirectly
 16 by a governmental agency, including, but not limited to, environmental
 17 education, recreational boat maintenance and storage, berthing and
 18 tours of historic boats, aquariums, marinas for recreational boats, and
 19 boat launches.
- 20 **Sec. 3.** RCW 79.90.470 and 2002 c 152 s 2 are each amended to read 21 as follows:
 - (1) The use of state-owned aquatic lands for public utility lines that exist on or before July 1, 2005, and that are owned by a governmental entity shall be allowed to continue without charge and without imposition of any new conditions. The use of state-owned aquatic lands for public utility lines owned by a governmental entity that are constructed after July 1, 2005, shall be granted by an agreement, permit, or other instrument if the use is consistent with the purposes of RCW 79.90.450 through 79.90.460 and does not obstruct navigation or other public uses. The department may recover only its reasonable direct administrative costs incurred in processing and approving the request or application, and reviewing plans for construction of public utility lines. For purposes of this section, "direct administrative costs" means the cost of hours worked directly on an application or request, based on salaries and benefits, plus travel reimbursement and other actual out-of-pocket costs. Direct administrative costs recovered by the department must be deposited into

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the resource management cost account. ((Use for public parks or public recreation purposes shall be granted without charge if the aquatic lands and improvements are available to the general public on a first-come, first-served basis and are not managed to produce a profit for the operator or a concessionaire. The department may lease state-owned tidelands that are in front of state parks only with the approval of the state parks and recreation commission. The department may lease bedlands in front of state parks only after the department has consulted with the state parks and recreation commission.)

- (2) The use of state-owned aquatic lands for local public utility lines owned by a nongovernmental entity will be granted by easement if the use is consistent with the purpose of RCW 79.90.450 through 79.90.460 and does not obstruct navigation or other public uses. The total charge for the easement will be determined under RCW 79.90.575.
- (3) Nothing in this section limits the ability of the department to obtain payment for commodity costs, such as lost revenue from renewable resources, resulting from the granted use of state-owned aquatic lands for public utility lines <u>owned by a nongovernmental entity</u>.
- (4) Use of state-owned aquatic lands shall be granted without charge when the primary use is for water-related public safety operations, including, but not limited to fire boats and harbor patrols.
- (5) Use of state-owned aquatic lands shall be granted without charge if the primary use is for a public park or public recreation purposes and the state-owned aquatic lands and improvements are available to the general public on a first-come, first-served basis and are not managed to produce a profit for the governmental operator. The use shall be granted without charge whether or not a concessionaire, lessee, or contractor to the governmental operator makes a profit, and whether or not the public is charged a fee.
- (6) The department may lease state-owned tidelands that are in front of state parks only with the approval of the state parks and recreation commission. The department may lease bedlands in front of state parks only after the department has consulted with the state parks and recreation commission.
- (7) When a use is granted under this section to a governmental entity, the department shall not place conditions on the use that address the same subjects as a permit or other authorization issued by

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- 1 <u>a state agency, including, but not limited to, permits for hydraulic</u>
- 2 projects, discharge permits, and authorizations for sediment caps. The
- 3 governmental entity that is granted use of state-owned aquatic lands is
- 4 not required to indemnify the department except for damages resulting
- 5 <u>from the governmental entity's own fault.</u>

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